

Ag Land Pres Easements -- No. 788911

Category
Agency
Planning Area
Relocation Impact

Conservation of Natural Resources
Economic Development
Countywide
None

Date Last Modified
Required Adequate Public Facility

January 5, 2006
NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY05	Est. FY06	Total 6 Years	FY07	FY08	FY09	FY10	FY11	FY12	Beyond 6 Years
Planning, Design and Supervision	1,834	0	212	1,622	221	256	268	280	292	305	0
Land	30,972	0	8,222	22,750	8,204	6,090	2,156	2,300	2,000	2,000	0
Site Improvements and Utilities		0	0			0	0	0	0	0	0
Construction											
Other	0	0	0	0	0	0	0	0	0	0	0
Total	32,806	0	8,434	24,372	8,425	6,346	2,424	2,580	2,292	2,305	0

FUNDING SCHEDULE (\$000)

Federal Aid	393	0	393	0	0	0	0	0	0	0	0
Investment Income	1,952	0	328	1,624	221	258	268	280	292	305	0
State Aid	7,162	0	4,662	2,500	1,500	1,000	0	0	0	0	0
Agricultural Transfer Tax	23,299	0	3,051	20,248	6,704	5,088	2,156	2,300	2,000	2,000	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

This project provides funds for the purchase of agricultural and conservation easements under the County Agricultural Land Preservation legislation, effective May 26, 1988, for local participation in Maryland's agricultural and conservation programs. The County Agricultural Easement Program (AEP) enables the County to purchase preservation easements on farmland in the agricultural zones and in approved County agricultural districts to preserve farmland in conjunction with farms protected by transferable development rights (TDRs) easements or State agricultural land preservation easements. The Maryland Agricultural Land Preservation Foundation (MALPF) enables the State to purchase preservation easements on farmland in agricultural districts established jointly by the County and State. The Rural Legacy Program (RLP) enables the State to purchase conservation easements to preserve large contiguous tracts of agricultural land. Project funding comes from State aid and the Agricultural Land Transfer Tax, which is levied when farmland is sold and removed from agricultural status. Montgomery County is a State-certified county under the provisions of State legislation which enables the County to retain 75 percent of the taxes for local use. The County uses a portion of its share of the tax to provide matching funds for State easements. Beginning in FY07, a new Building Lot Termination (BLT) program will be initiated to protect land where development is permitted given 1 lot per 25 acre zoning. This will be accomplished by using Agricultural Transfer Tax revenue to purchase the "Super TDRs" retained on these lots.

JUSTIFICATION

Annotated Code of Maryland 2-501 to 2-515, Maryland Agricultural Land Preservation Foundation; Annotated Code of Maryland 13-301 to 13-308, Agricultural Land Transfer Tax; and Montgomery County Code, Chapter 2B, Agricultural Land Preservation. In order to facilitate the new BLT program, changes to both the State certification and Montgomery County Executive Regulations are required and are being pursued.

Cost Change

The cost increase reflects the new BLT program to be funded with Agricultural Transfer Tax revenue. State funds for FY07-08 are estimated and will be pursued through the competitive grant process.

STATUS

Since 1980, the State and the County have completed nearly 95 easement purchases totaling 16,414 acres. An additional 48,584 acres have been preserved through private transactions facilitated by the County TDR program, for a total of 64,998 acres. The County's goal is to preserve 70,000 acres by 2012.

OTHER

Appropriations are based upon a projection of Montgomery County's portion of the total amount of Agricultural Transfer Tax, which has become available since the last appropriation and State Rural Legacy Program grant funding. Appropriations to this project represent a commitment of Agricultural Land Transfer Tax funds and State Aid to purchase agricultural easements. The Agricultural Transfer Taxes are deposited into an investment income fund, the interest from which is used to fund direct administrative expenses and purchase easements.

FISCAL NOTE

Expenditures do not reflect additional, authorized payments made from the Agricultural Land Preservation Fund balance to increase financial incentives for landowners.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY89	(\$000)
Initial Cost Estimate		18,705
First Cost Estimate		
Current Scope	FY07	32,806
Last FY's Cost Estimate		23,557
Present Cost Estimate		32,806

Appropriation Request	FY07	8,425
Appropriation Request Est.	FY08	6,346
Supplemental		
Appropriation Request	FY06	0
Transfer		0

Cumulative Appropriation		8,434
Expenditures/		
Encumbrances		1,857
Unencumbered Balance		6,577

Partial Closeout Thru	FY04	37,163
New Partial Closeout	FY05	2,242
Total Partial Closeout		39,405

COORDINATION

State of Maryland Agricultural Land Preservation Foundation
State of Maryland Department of Natural Resources
Maryland-National Capital Park and Planning Commission
Landowners

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

MAP

